

FISCAL NOTE

SB 2075

March 15, 2005

SUMMARY OF BILL: Establishes a mandatory motor vehicle safety inspection program for all motor vehicles registered in Tennessee.

ESTIMATED FISCAL IMPACT:

Increase State Revenues – Exceeds \$7,000,000 Recurring
Increase State Expenditures - \$1,377,000 Recurring
\$546,000 One-Time


Increase Local Govt. Revenues – \$285,000

Assumptions:

- Approximately 5,200,000 vehicles will be inspected on an annual basis.
- At least 1,000 inspection facilities will receive annual certification.
- An increase in recurring and one-time state expenditures for thirteen positions and related operational expenses within the Department of Safety to annually inspect and certify vehicle inspection facilities.
- An increase in recurring state expenditures of approximately \$467,700 to annually print and distribute safety inspection forms.
- An increase in state revenues from inspection fees. In the first year there will be an increase in state revenues from fees of approximately \$1,923,000 to cover one-time start-up costs and the regular recurring expenditures. In the second and subsequent years inspection fees will be set in an amount sufficient to cover recurring expenditures which is approximately \$1,377,000.
- Approximately 24,000 annual violations with a fine of \$250 for the first offense and \$500 for each subsequent offense.
- The State will receive fines and clerks will receive commission from such fines in accordance with TCA 55-10-303.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



SB 2075

